

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2888 – SB 2890

April 11, 2012

**SUMMARY OF AMENDMENT (016403):** Deletes all language after the enacting clause. Creates a Class A misdemeanor offense for a person to knowingly prepare, sign, or file a lien or other document that is intended to encumber property when the person has no reasonable basis for placing the lien on such property. Defines “person” as an individual or entity. Violation does not apply to a licensed attorney who prepares such a document in the course of representation of a client; a financial institution regulated by the Tennessee Department of Financial Institutions, the Federal Reserve Board, the Office of the Comptroller of the Currency, the National Credit Union Administration, qualified commercial financing entity as defined in Tenn. Code Ann. § 67-4-2004, or an employee or agent of such an entity who prepares, signs, or files a lien or other document in the ordinary course of business; a title insurance company or agent who prepares, signs, or files a lien or other such document; or a real estate licensee operating in compliance with the Tennessee Real Estate Broker License Act of 1973, compiled in Title 62, Chapter 13.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$5,700/Incarceration\*

*\*Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumption applied to amendment:

- There will not be a sufficient number of misdemeanor prosecutions for state or local government to experience any significant increase in revenue or expenditures.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/lsc